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Research News for the U.S. Travel Industry

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TRAVEL PRINTOUT

US Travel Data Center

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States Continue to Promote Travel

State governments plan to spend nearly $356 million for travel and tourism development and promotion in fiscal year 1990-91, a more than 5 percent increase from last year's total, according to the U.S. Travel Data Center's *1990-91 Survey of State Travel Offices.*

Thirty-five states posted travel budget increases for 1990-91. The average state travel office budget reached $7.1 million, up from $6.8 million last year.

The 18th annual report, which provides state travel office budgets by category, advertising, promotion and research programs, listed Illinois as having the highest projected state travel office budget in fiscal year 1990-91.

Illinois' projected state travel office budget will increase 45 percent over last year's budget, totaling nearly $32 million. In addition, its budget is $9.5 million more than the second highest state, Hawaii.

The growing importance of the travel industry on the U.S. economy is reflected in the dramatic increase of state travel budgets in the last 10 years. In 1980, the total of all 50 state travel office budgets reached $90 million. Now at nearly $356 million, this is, nearly a 400 percent increase.

Nevertheless, many states travel office budgets have felt the pinch of budget cuts, due in part to the softening of the economy. Four of the top ten budgets will decrease in 1990-91.

One state particularly affected by state budget costs was New York, whose projected travel office budget will decrease 27 percent. "With a more than $1.5 billion deficit, New York is technically bankrupt and the travel budget has suffered because of it," said Craig Wakefield, tourism marketing analyst at the New York Department of Economic Development.

Most states were able to weather the storm and continue to increase their budgets. Louisiana is one such state that drastically increased its travel budget, showing an 81 percent increase over the previous year. The increase was high enough to move Louisiana from 26 to 10 in the state travel office budget rankings (See list).

"The state legislature realized that travel and tourism can help diversify the Louisiana economy," said Mark Northington, research director at the Louisiana State Travel Office.

Illinois, Hawaii, Michigan, Florida and Tennessee were other states in the top ten travel office budgets that showed increases from the previous year.

A large component of each state's travel office budget is the amount allocated for advertising purposes. Illinois intends to spend the most on advertising, spending $10 million this year. New York, Missouri, Louisiana and Hawaii round out the top 5.

With 49 of the 50 states reporting, the average advertising budget for 1990-91 is more than $2.4 million, representing a significant increase over the 1980 average of $643,500 per state.

The 1990-91 Survey of State Travel Offices is based upon questionnaires completed by representatives of all the state travel offices, and the District of Columbia.

In addition to detailed budget breakdowns, the survey also provides information about state governments' programs including: General Administration, Organization, Advertising and Promotion, Press and Public Relations, Research and Welcome Centers.

The 1990-91 Survey of State Travel Offices is available for $75 and can be purchased by contacting the Data Center at (202) 293-1040. (Data Center members will be receiving a complimentary copy).

TOP TEN LIST

1.	*Illinois*	*$31.9 million**
2.	*Hawaii*	*22.3*
3.	*Texas*	*19.4*
4.	*Pennsylvania*	*14.8*
5.	*Michigan*	*14.5*
6.	*New York*	*14.1*
7.	*Florida*	*11.9*
8.	*Tennessee*	*10.9*
9.	*Alaska*	*10.2*
10.	*Louisiana*	*9.5*

* *Projected numbers for 1990-91*

Rising Airline Fares Lead Travel Price Increase

Following a moderate increase in November, the cost of travel in the United States rose 0.6 percent in December. The increase was largely due to a 3.9 percent jump in airline fares, according to the Data Center's latest Travel Price Index (TPI).

The TPI, which measures seasonally unadjusted changes in the cost of travel in the U.S. increased to 142.1 (1982 - 84 = 100) during December.

For comparison, the overall cost of goods and services Americans purchased as measured by the Consumer Price Index (CPI) remained unchanged in December at 133.8.

Travel Price Index and Components

December 1990 TPI Component	Monthly % Change Nov. 1990 to Dec. 1990	Annual % Change Dec. 1989 to Dec. 1990
Transportation	0.7	30.2
Airline Fares	3.9	22.7
Other Intercity Trans.	1.1	6.6
Intracity Public Trans.	0.2	7.7
Motor Fuel	-1.6	36.5
Lodging	0.7	15.8
Food and Beverages Away From Home	0.2	4.6
Entertainment	-0.2	5.3
TRAVEL PRICE INDEX	0.6	13.0
CONSUMER PRICE INDEX	0.0	6.1

Source: U.S. Travel Data Center and the U.S. Bureau of Labor Statistics

For the first time in four months, motor fuel costs decreased. The cost of motor fuel did show the highest increase over the last 12 months, increasing nearly 37 percent over a year ago.

Overall transportation costs rose 0.7 percent in December, and jumped more than 30 percent over the last 12 months. Lodging and food and beverages away from home showed moderate increases in December, while entertainment costs dropped 0.2 percent for the month. Over the past 12 months, the TPI rose 13.0 percent, influenced greatly by rising airline fares and motor fuel costs. The CPI rose more than 6 percent over the same 12 month period.

Overall Travel Decreases 2 Percent in October

For the first time since May 1990 overall travel has decreased. Travel in October dropped more than 2 percent below last October's level with more than 96 million person-trips taken by U.S. residents, according to the Data Center's latest National Travel Survey (NTS) results. (A person-trip measures each person traveling 100 miles or more away from home.)

Vacation travel contributed largely to the 2 percent decrease in overall October travel. There was a 4.5 percent decrease in vacation travel this past October over last October, with more than 64 million person-trips.

The average duration of a vacation trips also dropped substantially from 5 nights in October 1989 to 4.1 nights this past October.

Pleasure travel showed one of the few increases in October 1990, increasing nearly 1 percent with more than 74 million person-trips.

Even though pleasure travel increased in October, the average duration of a pleasure trip decreased from 4.8 nights last October to 3.7 nights in October 1990.

The average party size remained stable, with an average of less than 2 persons per trip in October. Even though vacation travel showed a decrease in October, the average party size was larger, increasing from 1.9 persons last October to 2.1 persons this past October.

Automobile travel showed a slight increase in October with more than 74 million person-trips. Travelers who used the automobile as a mode of transportation traveled shorter durations in October, compared to October 1989. The average duration of a automobile person-trip was 3 nights this past October, compared to 3.7 nights last October.

Regional travel remained fairly consistent in October, as the Southeast, Great Lakes and West regions all showed increases for the month, while the Northeast and Midwest experienced declines in traveler volumes.

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TRAVEL PRINTOUT reports on Data Center projects, national travel research conducted by other organizations and trends in the U.S. Travel Industry. Subscriptions are $75 per year; Foreign countries, $80 per year, payable in U.S. funds. ISSN: 0744-6233.

TRC Slides Available

How did the travel industry fare in 1990? Did domestic travel continue to increase? How did the transportation industry do in light of the Middle East crisis?

The answers to these, and more questions, are available from Suzanne Cook's speech on the 1990 review of domestic travel at the 1990 Travel Review Conference. Data Center members can purchase Dr. Cook's script and slide presentation for $150, others may purchase the presentation for $275.

Dr. Cook's speech discusses the volume of travel in 1990, trends, business and vacation travel, the transportation industry developments, the effects of the economy, and major issues affecting the travel industry in 1990.

The Travel Review Conference, held on February 4 in Washington, D.C., included Senator John Rockefeller (D-WV) and Martin Shugrue, Jr., trustee at Eastern Airlines, among others.

The script and slides from Suzanne Cook's presentation on the 1990 review of domestic travel can be purchased by contacting the Data Center at (202) 293-1040.

Discoveries needed...

Do you have a travel research project that deserves a little recognition? Travel Printout is the place in the monthly "Discoveries" section.

"Discoveries" is a Travel Printout feature designed to give added exposure to all types of travel-related research.

To submit your company's travel research projects, send a brief description of the report, including the price, address, and contact name, to Scott Dring, U.S. Travel Data Center, 1133 21st Street, Washington, D.C. 20036.

Visitor Volume at National Parks

Region	NOV 1990 visits	% Change from NOV 1989	Year to Date % Change 1990/89*
NEW ENGLAND	728,006	10.6%	1.4%
MIDDLE ATLANTIC	1,598,108	-5.4	-15.7
SOUTH ATLANTIC	5,100,284	8.6	-1.9
EAST SOUTH CENT.	1,199,050	-24.4	-20.7
EAST NORTH CENT.	252,736	24.7	-0.8
WEST NORTH CENT.	453,124	33.3	1.1
WEST SOUTH CENT.	575,750	0.8	-7.4
MOUNTAIN	1,753,587	-3.9	2.4
PACIFIC	2,728,992	8.7	-7.3
TOTAL	14,389,637	2.2	-5.2

* Percent change figures may not be consistant with those previously reported due to National Park Service revisions.

Census regions: New England Conn., Maine, Mass., N.H., R.I., Vermont. Middle Atlantic N.J., N.Y., Penn. S. Atlantic: Del., District of Columbia, Fla., Ga., Md., N.C., S.C., Va., W.Va. East South Central: Ala., Ky., Miss., Tenn. East North Central: Ill., Ind., Mich., Ohio, Wis. West North Central: Iowa, Kan., Minn., Mo., Neb., N.D., S.D. West South Central: Ark., La., Okla., Texas. Mountain Ariz., Colo., Idaho, Mont., Nev., N.M., Utah, Wyo. Pacific: Alaska, Calif., Hawaii, Ore., Wash.

Summer Travel Continues Popularity

Summer travel has increased more than 15 percent since 1985, according to the U.S. Travel Data Center's National Travel Survey.

Despite concerns this past summer over economic conditions, overall summer travel increased more 2 percent in 1990 with more than 437 million person-trips. (A person-trip is one person traveling 100 miles or more away from home).

Vacation travel, the primary purpose of travel in the summer months, has also seen consistent growth since 1985, increasing nearly 19 percent. This past summer there were 326 million vacation person-trips, a record high.

The National Travel Survey summer report, can be purchased for $100, by contacting the Data Center. For additional information on the Summer Travel Report, contact Elizabeth Stewart at (202) 293-1040.

Don't Forget...

The Data Center now provides a free listing of all available publications. This in-depth guide lists all Data Center publications, in addition to reports from the United States Travel and Tourism Administration (USTTA) and the reports from the Discover America 2000 series.

The agreement with the USTTA enables the Data Center to market such reports as the *In-Flight Surveys* and the *Pleasure Travel Market to North America.*

The publication guide also includes the Discover America 2000 Marketing Research Series. The series includes *Discover America 2000: The Implications of America's Changing Demographics and Attitudes on the U.S. Travel Industry* and a newly released report entitled *Discover America 2000: The Mature Market.*

If you would like a complete and free listing of domestic and international travel research, contact the Data Center at (202) 293-1040.

Current Travel Indicators - 1990

	Month	Value	Units	Percent Change Last Month	Year Ago	Year To Date
Establishment Receipts or Retail Sales						
Hotels, Motels, Other Lodging Places(1)	Oct	$5,600	million	8.7	5.4	7.3
Eating and Drinking Places(2)	Nov	$15,157	million	-0.9	3.7	5.0
Gasoline Service Stations(2)	Nov	$11,947	million	-0.4	22.2	10.6
Commercial Lodging Demand						
Hotel/Motel Occupancy Rates(3)	Oct	63.2	percent	-0.8	-1.9	0.7
Real Demand for Commercial Lodging(4)	Oct	67.5	million	6.4	1.5	3.6
Airline Passenger Traffic (5)						
Domestic Revenue Passenger-Miles	Dec	25.9	billion	1.8	0.2	2.3
Int'l Revenue Passenger-Miles	Dec	8.9	billion	11.1	11.1	15.5
Highway Traffic Volume (6)						
Rural Arterial Passenger-Miles	Nov	42.1	billion	-6.1	1.3	3.2
Rail Passenger Traffic (7)						
Amtrak Passenger-Miles	Nov	492.1	million	1.2	6.2	3.6
Travel Price Index (1982 - 84 = 100) (8)	Nov	141.3		0.4	12.1	7.8
	Dec	142.1		0.6	13.0	8.3
U.S. Resident Travel						
Total Person-trips(9)	Oct	96.3	million	-17.1	-2.0	2.9
Vacation Person-trips(9)	Oct	64.1	million	-24.1	-4.3	3.3
Total Person-nights(10)	Oct	356.3	million	-17.1	n/a	n/a
Vacation Person-nights(10)	Oct	262.8	million	-24.1	n/a	n/a
Public Use of National Parks (11)						
Visits	Oct	21,092,632		-6.0	-5.8	-6.3
Overnight Stays	Oct	1,151,253		-43.8	-6.3	1.0
Foreign Arrivals to the U.S.						
From Overseas(12)	Sept	1,362,928		-16.9	3.9	5.7
From Canada(13)	Nov	1,216,221		-9.5	17.4	13.2
From Mexico(12)	Sept	100,850		-35.7	9.9	6.1
U.S. Citizen Departures						
To Overseas(12)	Aug	1,611,900		-2.3	9.5	9.4
To Canada(13)	Nov	583,022		-29.8	5.9	1.3
Domestic Demand for Gasoline						
Barrels/Day(14)	Nov	7,224	thousands	0.3	-1.8	-1.7

(1) Source: Smith Travel Research, seasonally adjusted. (2) Preliminary, revised monthly. Source: Bureau of the Census. (3) Source: Smith Travel Research, seasonally adjusted. 1986 and 1987 data have been revised. (4) Smith Travel Research, unadjusted room nights sold. (5) Preliminary. U.S. scheduled service air carriers. Source: Air Transport Association. (6) Preliminary, revised monthly. Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: U.S. Travel Data Center and Bureau of Labor Statistics. (9) Source: U.S. Travel Data Center. (10) U.S. Travel Data Center Data is not comparable to earlier published numbers due to revised methodology. (11) Preliminary, unadjusted for differences in reporting units. Source: National Park Service. (12) Source: U.S. Travel and Tourism Administration. Mexican data reflect 194 arrivals only. (13) Statistics Canada. (14) Preliminary. Source: U.S. Department of Energy.

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